



DEPARTMENT OF DEFENSE

Office of the Secretary

[Docket ID: DoD-2023-OS-0026]

Privacy Act of 1974; System of Records

AGENCY: Department of Defense (DoD).

ACTION: Notice of a new system of records.

SUMMARY: In accordance with the Privacy Act of 1974, the DoD is establishing a new Department-wide system of records, titled “DoD Patron Authorization, Retail and Service Activities,” DoD-0018. This system of records covers DoD’s maintenance of records about eligible patron authorizations and transactional information associated with retail purchases and services. Retail includes goods and services provided by any DoD organization to authorized patrons including those who are authorized based on Department affiliation.

DATES: This system of records is effective upon publication; however, comments on the Routine Uses will be accepted on or before [INSERT 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]. The Routine Uses are effective at the close of the comment period.

ADDRESSES: You may submit comments, identified by docket number and title, by either of the following methods:

* Federal Rulemaking Portal: <https://www.regulations.gov>. Follow the instructions for submitting comments.

* Mail: Department of Defense, Office of the Assistant to the Secretary of Defense for Privacy, Civil Liberties, and Transparency, Regulatory Directorate, 4800 Mark Center Drive, Attn: Mailbox 24, Suite 08D09, Alexandria, VA 22350-1700.

Instructions: All submissions received must include the agency name and docket number for this *Federal Register* document. The general policy for comments and other submissions from

members of the public is to make these submissions available for public viewing on the Internet at <https://www.regulations.gov> as they are received without change, including any personal identifiers or contact information.

FOR FURTHER INFORMATION CONTACT: Ms. Rahwa Keleta, Privacy and Civil Liberties Division, Directorate for Privacy, Civil Liberties and Freedom of Information, Office of the Assistant to the Secretary of Defense for Privacy, Civil Liberties, and Transparency, Department of Defense, 4800 Mark Center Drive, Mailbox #24, Suite 08D09, Alexandria, VA 22350-1700; OSD.DPCLTD@mail.mil; (703) 571-0070.

SUPPLEMENTARY INFORMATION:

I. Background

DoD is establishing the DoD Patron Authorization, Retail, and Service Activities, DoD-0018, system of records as a DoD-wide Privacy Act system of records. A DoD-wide system of records notice (SORN) supports multiple DoD paper or electronic recordkeeping systems operated by more than one DoD component that maintains the same or similar kind of information about individuals for the same purpose. Establishment of DoD-wide SORNs help DoD standardize the rules governing the collection, maintenance, use, and sharing of personal information in key areas across the enterprise. DoD-wide SORNs also reduce duplicative and overlapping SORNs published by separate DoD components. The creation of DoD-wide SORNs is expected to make locating relevant SORNs easier for DoD personnel and the public and create efficiencies in the operation of the DoD privacy program.

DoD includes multiple activities which provide goods and services to DoD patrons, their family members, and dependents; visitors to military installations; and other individuals who are affiliated to the military community or the Department (collectively, DoD patrons). Among those activities are military exchanges to include the Army and Air Force Exchange Service (AAFES), the Marine Corps Exchange (MCX), and the Navy Exchange Service Command (NEX), and the Marine Corps Community Services (MCCS), along with the Defense

Commissary Agency (DeCA). Each of these types of activities offer a benefit to our military community and those with ties to this community.

This new SORN addresses the collection of general personal financial and business transaction records associated with the benefits provided by organizations such as the military exchanges above and other vendors located on military installations. Included data may consist of biographical information of DoD patrons for identification purposes, personal contact information, military connection, personal financial information, for processing payments and credit requests, records of those patrons who are on the bad check and outstanding debt list, source of patron authorization, and demographic data. Usage of the information includes account maintenance and collection efforts, providing the services requested, and marketing initiatives. Collected data will ensure individuals affiliated with the military are not only authorized to obtain goods, items, and services, but also are able to engage and participate in Exchange transactional matters associated with approved benefits, and payments.

DoD SORNs have been published in the *Federal Register* and are available from the address in FOR FURTHER INFORMATION CONTACT or at the Privacy, Civil Liberties, and Freedom of Information Directorate website at <https://dpcl.d.defense.gov>.

II. Privacy Act

Under the Privacy Act, a “system of records” is a group of records under the control of an agency from which information is retrieved by the name of an individual or by some identifying number, symbol, or other identifying particular assigned to the individual. In the Privacy Act, an individual is defined as a U.S. citizen or lawful permanent resident.

In accordance with 5 U.S.C. 552a(r) and Office of Management and Budget (OMB) Circular No. A-108, DoD has provided a report of this system of records to the OMB and to Congress.

Dated: March 27, 2023.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.

SYSTEM NAME AND NUMBER: DoD Patron Authorization, Retail, and Service Activities, DoD-0018.

SECURITY CLASSIFICATION: Unclassified.

SYSTEM LOCATION: Department of Defense (Department or DoD), located at 1000 Defense Pentagon, Washington, DC 20301-1000, and other Department installations, offices, or mission locations. Information may also be stored within a government-certified cloud, implemented and overseen by the Department's Chief Information Officer (CIO), 6000 Defense Pentagon, Washington, DC 20301-6000.

SYSTEM MANAGER(S): The system managers for this system are as follows:

A. Deputy Assistant Secretary of Defense for Military Community and Family Policy, Office of the Under Secretary of Defense (Personnel & Readiness), Deputy Under Secretary of Defense for Manpower and Reserve Affairs, 4000 Defense Pentagon, Washington DC 20301-4000, whsmc-alex.esd.mbx.osd-js-foia-requester-service-center@mail.mil.

B. Deputy Director/Chief Operating Officer, Defense Commissary Agency, 1300 E. Avenue, Fort Lee, VA 23801-1800.

C. Commander, Department of the Army, Family and Morale, Welfare and Recreation Command, 4700 King Street, Alexandria, VA 22302-4414.

D. Policy Official Commander, Navy Installations (Finance Department) Millington Detachment, 5720 Integrity Drive, Millington, TN 38055-6500.

E. Chief of Community Programs, Community Programs Division, Services Directorate, Headquarters Air Force Personnel Center, 2261 Hughes Avenue Suite 156, Joint Base San Antonio (JBSA), Lackland AFB, TX 78236-9854.

F. Deputy Director/COO, Marine Corps Exchange, Business and Support Services Division (MR), Headquarters, U.S. Marine Corps, 3044 Catlin Ave, Quantico, VA 22134-5009.

G. Director/Chief Executive Officer, Army and Air Force Exchange Service, 3911 S. Walton Walker Boulevard, Dallas, TX 75236-1598; 800-527-6790.

H. To obtain information on the system managers at the Combatant Commands, Defense Agencies, or other Field Activities with oversight of the records that are not listed above, please visit www.FOIA.gov to contact the component's Freedom of Information Act (FOIA) office.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM: Federal Claims Collection Act of 1966 (Pub. L. 89-508, as amended) and Debt Collection Act of 1982 (Pub. L. 97-365, as amended), as amended by the Debt Collection Improvement Act of 1996 (Pub. L. 104-134, section 31001) as codified in 31 U.S.C. 3711, Collection and Compromise Activities; 10 U.S.C. 2481, Defense Commissary and Exchange Systems: Existence and Purpose; 10 U.S.C. 1146, Commissary and Exchange Benefits; 10 U.S.C. 2488, Combined Exchange and Commissary Stores; 14 U.S.C. 152, Nonappropriated Fund Instrumentalities; DoD Instruction (DoDI) 1330.21, Armed Services Exchange Regulation; DoDI 1330.17, DoD Commissary Program; DoDI 1330.09, Armed Services Exchange Policy; DoDI 1330.21, Armed Services Exchange Regulations; DoD 7000.14-R, Department of Defense Financial Management Regulation Volume 13: "Nonappropriated Funds Policy" and Volume 16: "Department of Defense Debt Management"; and E.O. 9397 (SSN), as amended.

PURPOSE(S) OF THE SYSTEM:

A. To identify and authenticate individuals who are authorized to obtain DoD privileges for goods and/or services as authorized by Congress and applicable Service regulations.

B. To manage data for statistical analysis, tracking, and reporting for business optimization to include marketing initiatives and advertising and to support regulatory requirements.

C. To control sales, record transactions and payments, identify and act on unpaid debts, and provide a customer rewards program.

D. To interact with financial institutions for the processing of payments received.

E. To monitor sales compliance with Federal laws and regulations as well as overseas treaties, Status of Forces Agreements (SOFA) requirements, and local government agreements.

F. To process applications for credit; administer and monitor account information; and perform required reports as regulated by statutes or regulations.

G. To authenticate purchases for fraud and abuse detection, loss prevention, and identify potential abuse of privileges.

H. To address and respond to individual's comments or complaints concerning the DoD military exchanges, commissaries, and other vendors located on military installation.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

A. Individuals who are authorized to receive privileges or benefits, described in the Purposes of the System section, at any DoD location. This may include current and former military Service members (Active, Reserve, Guard, retirees, veterans), cadets and students, current and retired non-appropriated fund and appropriated fund DoD civilian employees, sponsored family members or other dependents of authorized patrons including children, agents shopping for an authorized patron, and individuals commissioned or contracted with the Federal government.

B. Visitors to DoD facilities who are offered limited-time exchange limited-purchase privileges. These individuals may include members of the public who are invited to a DoD location for special events such as air shows, retirement ceremonies, or military graduations, and those who are stranded on an installation. Also included are individuals authorized by Secretary of Defense regulations such as recipients of the Medal of Honor and selected military personnel of foreign nations.

CATEGORIES OF RECORDS IN THE SYSTEM:

A. Personal and Account Information, such as individual's full name, date of birth, Social Security Number (SSN); age; gender; marital status; contact information, such as mailing/physical address, e-mail address, phone numbers; website log-in information; personal automobile license plate number; user name for Internet and/or mobile ordering data; social media username (Facebook, Twitter, Flickr, YouTube); individual and household size profiles, demographics data, preferences, and feedback.

B. Employment Information, such as current/past employer's name and contact information; position/grade/rank; salary/wages; Department of Defense Identification Number (DoD ID Number); branch of Service; projected future station of assignment.

C. Financial Information, such as bank name, bank account number, routing number, check number; credit, debit, and gift card numbers holder data; benefit transfer cards (Women, Infants and Children Programs (WIC) and Supplemental Nutritional Assistance Program (SNAP)) data; credit bureau reports.

D. Transaction/Account Information, such as sales, contracts, and agreements; charges or refunds associated with receipt or the collection of debts for goods or services; coupons or promotions redeemed; claim data for returns or damages of goods/services; records supporting DoD debt collection activities such as copies of returned checks, delinquent payment data, and related communications; video/audio recordings; and registrations and registry logs.

RECORD SOURCE CATEGORIES: Records and information stored in this system of records are obtained from:

A. Individuals, contractors, and vendors.

B. Government sources (Federal, state, local, tribal and foreign).

C. In addition, information may be obtained from the Defense Enrollment Eligibility Reporting System (DEERS), and other Federal organizations.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING

CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES: In addition to those disclosures generally permitted under 5 U.S.C. 552a(b) of the Privacy Act of 1974, as amended, all or a portion of the records or information contained herein may specifically be disclosed outside the DoD as a routine use pursuant to 5 U.S.C. 552a(b)(3) as follows:

A. To contractors, grantees, experts, consultants, students, and others performing or working on a contract, service, grant, cooperative agreement, or other assignment for the Federal government when necessary to accomplish an agency function related to this system of records.

B. To the appropriate Federal, State, local, territorial, tribal, foreign, or international law enforcement authority or other appropriate entity where a record, either alone or in conjunction with other information, indicates a violation or potential violation of law, whether criminal, civil, or regulatory in nature.

C. To any component of the Department of Justice for the purpose of representing the DoD, or its components, officers, employees, or members in pending or potential litigation to which the record is pertinent.

D. In an appropriate proceeding before a court, grand jury, or administrative or adjudicative body or official, when the DoD or other Agency representing the DoD determines that the records are relevant and necessary to the proceeding; or in an appropriate proceeding before an administrative or adjudicative body when the adjudicator determines the records to be relevant to the proceeding.

E. To the National Archives and Records Administration for the purpose of records management inspections conducted under the authority of 44 U.S.C. 2904 and 2906.

F. To a Member of Congress or staff acting upon the Member's behalf when the Member or staff requests the information on behalf of, and at the request of, the individual who is the subject of the record.

G. To appropriate agencies, entities, and persons when (1) the DoD suspects or has confirmed that there has been a breach of the system of records; (2) the DoD has determined that as a result of the suspected or confirmed breach there is a risk of harm to individuals, the DoD (including its information systems, programs, and operations), the Federal Government, or national security; and (3) the disclosure made to such agencies, entities, and persons is reasonably necessary to assist in connection with the DoD's efforts to respond to the suspected or confirmed breach or to prevent, minimize, or remedy such harm.

H. To another Federal agency or Federal entity, when the DoD determines that information from this system of records is reasonably necessary to assist the recipient agency or entity in (1)

responding to a suspected or confirmed breach or (2) preventing, minimizing, or remedying the risk of harm to individuals, the recipient agency or entity (including its information systems, programs and operations), the Federal Government, or national security, resulting from a suspected or confirmed breach.

I. To another Federal, State or local agency for the purpose of comparing to the agency's system of records or to non-Federal records, in coordination with an Office of Inspector General in conducting an audit, investigation, inspection evaluation, or other review as authorized by the Inspector General Act of 1978, as amended.

J. To such recipients and under such circumstances and procedures as are mandated by Federal statute or treaty.

K. To a loyalty card, rewards card, points card, advantage card or club card or digital coupon program coupon contractor to verify individual's enrollment in a loyalty, rewards, points, advantage, club or digital coupon program, and to provide discounts, digital coupons or other incentives to be applied to individual's purchases.

L. To on-line ordering fulfillment contractors to allow for the confirmation of orders received, fulfilled, delivered, and closed.

M. To the U.S. Department of the Treasury for centralized administrative or salary offset, including the offset of Federal income tax refunds, for the purpose of collecting debts owed to the U.S. government.

N. To U.S. Department of the Treasury-contracted private collection agencies for the purpose of obtaining collection services, including administrative wage garnishment, to recover debts owed to the U.S. Government.

O. To a consumer reporting agency in accordance with 31 U.S.C. 3711(e), as authorized under 5 U.S.C. 552a(b)(12).

P. To credit card processors, banks, and other financial institutions to process payments or refunds made by credit or debit cards, by check, or other non-cash payment methods.

Q. To appropriate Federal, State, local, territorial, tribal, foreign, or international agencies for the purpose of counterintelligence activities authorized by U.S. law or Executive Order, or for the purpose of executing or enforcing laws designed to protect the national security or homeland security of the United States, including those relating to the sharing of records or information concerning terrorism, homeland security, or law enforcement.

R. To the Bureau of Alcohol, Tobacco, Firearms, and Explosives, State agencies, and other appropriate entities to provide notification of firearms sales in compliance with Federal, DoD, Service policies, and State or local government law.

POLICIES AND PRACTICES FOR STORING OF RECORDS: Records may be stored electronically or on paper in secure facilities in a locked drawer behind a locked door.

Electronic records may be stored locally on digital media; in agency-owned cloud environments; or in vendor Cloud Service Offerings certified under the Federal Risk and Authorization Management Program (FedRAMP).

POLICIES AND PRACTICES FOR RETRIEVAL OF RECORDS: Records may be retrieved by individual's name; DoD ID Number; SSN; or other personal identifiers.

POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:

Records are maintained and disposed in accordance with National Archives and Records Administration Schedules. The Military Departments retain records in accordance with their individual Records and Information Management retention schedules. The retention period may be obtained by contacting the system manager for the Military Department.

ADMINISTRATIVE, PHYSICAL, AND TECHNICAL SAFEGUARDS: DoD safeguards records in this system of records according to applicable rules, policies, and procedures, including all applicable DoD automated systems security and access policies. DoD policies require the use of controls to minimize the risk of compromise of personally identifiable information (PII) in paper and electronic form and to enforce access by those with a need to know and with appropriate clearances. Additionally, DoD has established security audit and

accountability policies and procedures which support the safeguarding of PII and detection of potential PII incidents. DoD routinely employs safeguards such as the following to information systems and paper recordkeeping systems: Multifactor log-in authentication including CAC authentication and password; physical token as required; physical and technological access controls governing access to data; network encryption to protect data transmitted over the network; disk encryption securing disks storing data; key management services to safeguard encryption keys; masking of sensitive data as practicable; mandatory information assurance and privacy training for individuals who will have access; identification, marking, and safeguarding of personal information; physical access safeguards including multifactor identification physical access controls, detection and electronic alert systems for access to servers and other network infrastructure; and electronic intrusion detection systems in DoD facilities.

RECORD ACCESS PROCEDURES: Individuals seeking access to their records should follow the procedures in 32 CFR part 310. Individuals should address written inquiries to the DoD component with oversight of the records, as the component has Privacy Act responsibilities concerning access, amendment, and disclosure of the records within this system of records. The public may identify the contact information for the appropriate DoD office through the following website: www.FOIA.gov. Signed written requests should contain the name and number of this system of records notice along with the full name, current address, and email address of the individual. In addition, the requester must provide either a notarized statement or an unsworn declaration made in accordance with 28 U.S.C. 1746, in the appropriate format:

If executed outside the United States: “I declare (or certify, verify, or state) under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on (date). (Signature).”

If executed within the United States, its territories, possessions, or commonwealths: “I declare (or certify, verify, or state) under penalty of perjury that the foregoing is true and correct. Executed on (date). (Signature).”

CONTESTING RECORD PROCEDURES: Individuals seeking to amend or correct the content of records about them should follow the procedures in 32 CFR part 310.

NOTIFICATION PROCEDURES: Individuals seeking to determine whether information about themselves is contained in this system of records should follow the instructions for Record Access Procedures above.

EXEMPTIONS PROMULGATED FOR THE SYSTEM: None.

HISTORY: None.

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